Appendix A

SCHEDULE I.

COMPUTATION OF DISTILLED SPIRIT SALES BY STATE BOARD OF EQUALIZATION

Per Plaintiff's Exhibit 21, Page 1

Beginning Inventory—6/30/43	$ 5,912.24
Purchases	174,772.73
	$180,684.97
Less Inventory—5/25/44	18,827.22
	$161,857.75
Floor Tax Paid	3,991.09
	$165,848.84
Gross Profit	55,282.86
Distilled Spirit Sales (Exclusive of Sales tax)	$221,131.70
Sales Tax	5,528.29
Distilled Spirit Sales (Including sales tax)	$226,659.99

The purchase figure of $174,772.73 is supported by the appellant's records as follows:

Plaintiff's Exhibit 14
Caption—"Invoice Register"
Column—"Distilled Spirits"

Month	Page	Amount
July, 1943	36-A	$ 6,378.51
August	38	7,730.91
September	40-A	9,778.22
October	42-A	7,733.71
November	44-A	16,222.39
December	46-A	71,533.45
January, 1944	47-A	18,499.63
February	48-A	24,780.70
March	49	4,926.34
April	50	21,927.69
May	51	2,698.19
May	51	89.32
	Total	$192,299.06

Total (Determined by State Board—which total is $119.81 less than above) $192,179.25

Less:		
Freight charges classified as purchases		
S.F. Warehouse (March, 1944—Page 49)	$ 54.25	
Transport Clearings (March, 1944—Page 49)	115.18	
S.F. Warehouse (March, 1944—Page 49)	108.25	
Manhattan Mountain Lines (April, 1944—Page 50)	57.68	
S.F. Warehouse (May, 1944—Page 51)	21.00	356.36
		$191,822.89
Less:		
Merchandise transferred from the Geary Street Store to the Fillmore and Haight Street Stores		
Plaintiff's Exhibit 14		
Caption—"Journal"		
Third page counting back from the caption "Assets"		
Transferred to Haight Street Store	$ 4,735.40 A	
Transferred to Fillmore Street Store	15,658.40 A	
		20,393.80
		$171,429.09

Note (A)—Exhibits 12 and 13 (plaintiff) are transfer sheets setting forth the specific merchandise transferred from the Geary Street store to the Fillmore and Haight Street stores.

Add:	
Merchandise transferred to the Geary Street Store From the Mission Bar	
Plaintiff's Exhibit 14	
Caption—"Journal"	
Third page counting back from the caption "Assets"	
The Journal entry shows that $1020.34 merchandise was transferred from the Mission Bar to the Geary Street store. Apparently $49.32 of this merchandise was not distilled spirits because Plaintiff's Exhibit 21 shows that distilled spirits transferred were in the amount of	971.02
	$172,400.11

Add:	
Credit memorandum not applicable to distilled spirit purchases between July 1, 1943 and May 25, 1944, but entered as a credit in December, 1943	
Plaintiff's Exhibit 14	
Caption—"Invoice Register"	
Column—"Distilled Spirits"	
December, 1943—Page 46 (A)	**2,372.62**
Purchases of Distilled Spirits—Per State Board Audit	**$174,772.73**

After adding the opening inventory of $5,912.24 to the purchases of $174,772.73, the State Board subtracted the distilled spirits inventory at May 25, 1944 in the amount of $18,827.22. Exhibit 11 (plaintiff's) is the typed recapitulation of the appellants' inventory of the Geary Street store on May 25, 1944. On Page 1 of said Exhibit the folowing items appear:

Whiskey, Gin, Rum, Scotch, Brandy	**$ 14,973.19**
Liqueur	**3,854.03**
	$ 18,827.22

These two items are the only distilled spirits in this inventory.

The next item the State Board considered was the floor tax paid. Paragraph VIII of the complaint (Transcript, p. 6) alleged that the appellant reported an inventory of distilled spirits for the Geary Street store in the amount of 1,330.36 proof gallons. Paragraph VIII of the answer (Transcript, p. 21) admits the truth of the allegation. The rate of floor tax was $3.00 per proof gallon and $3.00 multiplied by 1,330.36 equals $3,991.09.

The State Board then added 33⅓% mark-up, the mark-up accepted by all parties to this controversy as the correct mark-up.

The next figure is $5,528.29 California sales tax which represents 2½% of $221,131.70.